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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of:	)	
	)	
Amendment of the Commission's Rules	)	CC Docket No. 95-115
and Policies to Increase Subscribership	)	
and Usage of the Public Switched Network	)	

COMMENTS
OF THE
UNITED STATES TELEPHONE ASSOCIATION

Its Attorneys:

Mary McDermott
Linda Kent
Charles D. Cosson

1401 H Street, NW
Suite 600
Washington, DC 20005
(202) 326-7248

Kathy Woods
Director - Regulatory and
Legal Affairs

September 27, 1995

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SUMMARY

To solve a problem, it is imperative that all facts be concretely known. And, even if one could know all the facts surrounding a problem, one's approach to correcting it may be different depending on other events which will or are likely to take place. Such is the situation with the issue of telephone subscribership.

Research does indicate that one of the biggest barriers to increasing telephone subscribership is the inability to pay toll charges. However, research also indicates that other factors influence a person's decision to not subscribe to telephone service. Problems such as dire poverty and unemployment cannot be "regulated" away.

An evaluation of all the programs implemented or in the process of being implemented will show that the exchange carriers and the states have already addressed the issue of telephone subscribership. Federal intervention is not warranted at this time. Not only would the companies have to incur substantial costs to implement the Commission's proposal, putting them at a competitive disadvantage against those companies who have chosen only selective market segments to serve and who do not bear the responsibility of being a carrier of last resort, many of the proposals are unnecessary and unwarranted. Local exchange carriers and state regulatory agencies are better qualified to assess local conditions and to develop and implement economically efficient programs which take into consideration the unique characteristics of the state and its population.

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UNITED STATES TELEPHONE ASSOCIATION

The United States Telephone Association (USTA) respectfully submits its comments in the above referenced proceeding. USTA is the principal trade association of the exchange carrier industry, with more than 1100 members. USTA's members provide over 98 percent of the exchange carrier-provided access lines in the U.S. USTA's member companies are responsible for the provision and maintenance of universal service. They have been active in promoting universal service initiatives before their state regulatory commissions and the Commission. Such efforts have included developing and implementing programs to meet the specific needs of their customers to ensure that customers receive the service they desire at affordable prices. These programs are designed to help current customers remain connected to the public switched network and to connect new customers. These companies know that the reality of universal service is that it requires constant vigilance as well as the ability to be innovative and flexible in meeting individual customer needs. Their commitment to universal service is no different now than it has been in the past.

I. INTRODUCTION.

On July 20, 1995, the Commission released a Notice of Proposed Rulemaking (NPRM) in the above referenced docket seeking comments on various proposals to increase subscribership, to eliminate subscribership barriers and to develop methods to measure subscribership. The Commission is concerned that, although today about 94 percent of households in the U.S. receive telephone service, certain segments of the population have telephone subscribership levels lower than the national average. The Commission suggests that additional measures may be necessary to make universal service available to all Americans. USTA and its member companies share the Commission's concerns and have long been involved in creating and developing programs to "reach out" to those who are not telephone subscribers. In fact, many of the measures proposed by the Commission have already been implemented by most exchange carriers. Local exchange carriers and state regulatory agencies, are far better qualified to assess local conditions and to develop programs which achieve the same objective the Commission seeks to achieve in order to resolve any problems. The comments of USTA and its member companies will provide many examples of ongoing efforts, primarily at the state level. The record will show that Federal intervention is not required at this time.

As competition increases in the local exchange market, the Commission should be seeking ways to allow the market place to maximize subscribership levels and to develop subscribership programs that are compatible with market conditions. Many of the measures put forth by the Commission will prove to be prohibitively costly to implement and maintain and will be unduly regulatory and duplicative in relation to what exchange carriers have already done or are proposing to do in each state. Given that both state and Federal regulators are aggressively promoting competition in local exchange markets, the Commission must be careful not to impose requirements on exchange carriers that would further place them at a competitive disadvantage.

The Commission should not make a decision regarding the issue of telephone subscribership in a vacuum. For example, no study has been done regarding the impact of local exchange competition on subscribership and what efforts, if any, exchange carrier competitors are making to increase subscribership. Any decision the Commission makes with respect to universal service policies must be applicable to any company providing or seeking to provide local telephone service. Addressing the issue of increasing telephone subscribership prior to an overall evaluation of universal service is premature. Any changes that would eliminate or significantly reduce universal service support could impact the ability of exchange carriers to provide service at affordable rates. In addition, any requirements which would force exchange carriers to incur substantial costs to upgrade equipment, such as the Commission's proposal to mandate toll blocking, could increase the amount of universal service support required to maintain affordable rates.

II. PROPOSALS TO INCREASE SUBSCRIBERSHIP.

A. Voluntary Long Distance Blocking Services.

Before any actions are taken to impose additional regulations on exchange carriers which may prove to be unnecessary or unwarranted, the Commission should examine current offerings and programs and whether they address the underlying causes for non-subscribership. Then, the Commission may be better equipped to propose more effective ways to increase and maintain telephone subscribership. To propose regulations that may not address the root cause is premature, at best.

Research indicates that the majority of people who have been disconnected from the public switched network have been disconnected because of failure to pay long distance charges.[1] Other reasons could also exist for disconnection or non-subscribership. For example, some people simply do not have the financial resources to afford telephone service. Cultural differences undoubtedly can help explain non-subscribership, as can religious beliefs. Some people may feel they do not need telephone service in their household because they have convenient access to telephone service. Other people simply have made a conscious decision to not subscribe to telephone service, either because they do not want it or do not perceive a need for it. A recent study concludes that some households reported a willingness to subscribe to cable TV instead of telephone service because cable offers inexpensive entertainment, the hours and variety of entertainment are more satisfying than discrete phone calls, and cable may serve to keep children at home and off the streets.[2]

The Commission seeks comment on whether it should require exchange carriers to provide low-cost, voluntary toll restriction services or, alternatively, consider prohibiting telephone companies from disconnecting local service for failure to pay interstate charges. The Commission should not require exchange carriers to provide interstate toll restriction services for the following reasons. First, such a requirement is unnecessary and duplicative, since many states already have an overall toll blocking requirement and many exchange carriers have

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[1] See, the Chesapeake & Potomac Telephone Company's Submission of Telephone Penetration Studies, Formal Case No. 850, Before the Public Service Commission of the District of Columbia, October, 1993, pp. 2-3. Affordability of Telephone Service, Volume 1, conducted for GTE and Pacific Bell, by Field Research Corporation, September-October, 1993, pp. S13-14.

[2] Mueller and Schement, Six Myths of Telephone Penetration: Universal Service from the Bottom Up, Rutgers University Project on Information Policy (1995), Executive Summary, p. 3.

already implemented it. Second, interstate toll restriction does not help the customer who is unable to pay intrastate and/or intraLATA toll charges. Third, toll restriction would be extremely expensive to implement on a jurisdictionally identifiable basis. Finally, such a requirement does not address all of the problems which result in a failure to pay interstate charges and may not result in improved penetration levels.

Voluntary toll restriction services are not new to USTA's member companies. Many local exchange carriers have tariff offerings within their serving areas which outline the various types of toll restriction. For example, with the advent of 900 and 976 services, customers wanted the option to control such calls being made from their telephones. Exchange carriers responded by offering a toll restrict or blocking option. Many carriers have increased the toll restrict options offered to include any calls beginning with 1+, 0+, 0-, 10xxx, etc. Many exchange carriers also offer customers the ability to block collect calls. In most cases there are service connection, installation, and monthly charges associated with toll restrict services. Many exchange carriers, however, have shown a willingness to waive some or all of these charges for customers who risk service termination for non-payment, despite the fact that the costs incurred to offer these services may not be recovered. These service offerings have been filed with and have received approval from the appropriate state regulatory commissions.

As noted above, these toll restrict services do not differentiate between interstate and intrastate charges. They more appropriately deal with all toll charges, recognizing that a customer may need assistance for keeping any and all toll charges within reasonable limits. The Commission, however, proposes that a toll restrict service only operate with respect to interstate charges. Even if such a service was within the customer's and company's best interest, which it is not, there would be significant costs associated with implementing a service that can discretely identify intrastate toll from interstate toll.

For example, in CC Docket No. 91-35, USTA filed comments in response to the Commission's request as to whether residential customers would benefit from having the capability to block international calls in order to limit access to certain information services. USTA pointed out that certain switches would require two separate screening indicators or tables for each class of service: one to allow international dialing and the other to block it. The same situation would result if exchange carriers had to restrict toll calling based on whether a customer were dialing an interstate or an intrastate call. The costs and administrative burdens associated with jurisdictionally identifiable call blocking are significant. For small exchange carriers, the costs would be even more onerous because they must be spread over a smaller customer base.

In addition to the technical difficulties in attempting to differentiate among interstate and intrastate, interLATA and intraLATA, and local calls for toll restrict purposes, exchange carrier billing systems do not distinguish such calls. Many exchange carrier billing systems do not currently treat such charges separately, are not able to print two or more balances on customer bills, and do not maintain them separately in the customer services systems. The cost to provide two or more balances would not only be exorbitantly expensive, but would also raise a number of problems regarding payment. The fact that partial payments may be applied first to the exchange carrier portion of the bill and any remainder to the interexchange carrier portion, will probably not be satisfactory to all parties involved with the billing and collections process. In fact, existing billing and collection arrangements between exchange carriers and interexchange carriers could be seriously jeopardized.

The Commission's proposal would be expensive to implement. Indeed, evidence of the expenses involved can be better understood by analyzing the states that prohibit telephone companies from disconnecting local service for non-payment of toll charges. While telephone penetration rates in Pennsylvania have increased, uncollectible debts have risen. For example, Bell Atlantic began a toll denial program[3] in June, 1985, and since that time, gross uncollectibles have risen nearly fourfold. In Delaware, the toll denial program began in October, 1991, and the gross uncollectible debt has increased by over one and a half times. For GTE, the ongoing costs of doing business in Pennsylvania have increased substantially. GTE's centralized customer billing center employs 31 people who perform collection activities for a six state area. Over a third of those employees are now dedicated to Pennsylvania, which represents less than 1/6 of the subscriber base served. The level of GTE's uncollectibles has increased three fold since the Pennsylvania regulations were adopted. For residential customers, GTE's uncollectibles have increased from less than 1 percent prior to enactment of the prohibition on disconnecting local service to between 4 percent and 5 percent in the most recent three years. The reason these companies have experienced such large increases in uncollectibles is because the toll denial programs provide no incentive for the customer to fully pay the outstanding toll bill and, in fact, would allow a customer to run up a large toll bill before being put on the toll denial programs.

While it may appear that the above information highlights customers who abuse a well-intentioned program to the detriment of those customers who benefit from the program, it is unlikely that the results would be different if the Commission were to mandate a prohibition

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[3] For customers who cannot keep current the charges associated with toll and non-basic services, such as 900 charges and vertical services, Bell Atlantic in Pennsylvania will place their accounts on a toll restriction or blocking program which prevents them from completing calls beginning with 1+, 0+, 0-, and 10xxx. This program also applies to customers who request service connection or reconnection and have an outstanding bill which they cannot pay.

against termination of local service for non-payment of interstate toll. The costs associated with uncollectibles must be borne by the general body of ratepayers, both indirectly and directly, and clearly places exchange carriers at a competitive disadvantage compared to their competitors who are not required to implement such programs or who have chosen not to serve certain segments of customers. Exchange carriers are not equipped to serve in the place of social welfare entities which are better able to help customers manage and budget their money. Any programs must permit both the company and the customer to work together, to create a solution which will not disadvantage either. This can best be accomplished at a local level, not a federal level.

The Commission lists a number of states which currently prohibit disconnection of local service for non-payment of long distance charges, also noting that these states have an average subscribership level of 95.0 percent. In fact, two of those states, New York and Wyoming, have penetration levels of 93.1 and 93.5 percent, respectively which are below the national average.[4] And, there are twenty states which do not prohibit disconnection of toll for non-payment of long distance charges and have penetration levels exceeding the national average. Thus, the statistics do not support the notion that prohibiting disconnection of local service increases telephone subscribership. However, there has been no thorough analysis to positively demonstrate that such a program, applied unilaterally, will necessarily affect subscribership or that it is even a cost effective means to address subscribership. As previously suggested, other factors such as income, culture, and personal preferences influence subscribers. Programs such as long distance blocking services still may not alter their decisions to remain non-subscribers.

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[4] Telephone Subscribership in the United States (Data Through March 1995), Industry Analysis Division, Common Carrier Bureau, Federal Communications Commission, Released: August 1995.

The Commission's proposal would also place exchange carriers at a distinct competitive disadvantage. Placing regulatory burdens on only one class of competitors undermines their ability to compete. New competitive entrants can enter and exit markets at will. They are also able to provide service only to the most profitable customer segments. Exchange carriers serve as the carrier of last resort in each jurisdiction. Exchange carriers are required to serve those customers who are less profitable or, worse still, who cause the carrier to incur losses. It is unclear whether competitors will also have the same obligations and it will be necessary for the Commission to determine what entity will bear the ultimate responsibility of increasing subscribership. Any federally-imposed requirements should apply to all local telecommunications service providers.

As noted above, the options and programs previously discussed as well as some of the toll restrict programs to be discussed below, are currently available. No additional direct federal involvement is warranted.

B. Other Long Distance Restriction Services.

The Commission invites comment on the cost and feasibility of implementing other long distance restriction alternatives, such as establishing a pre-set monthly dollar limit, per minute use limitations, or voluntary time of day restrictions. Some exchange carriers have already taken the initiative with respect to such programs. For example, GTE's Advance Credit Management system allows a certain level of total charges, local and toll, to accrue each month based on limits established for individual customers. Southwestern Bell is developing the Toll Revenue Interactive Management System, a mechanized process designed to monitor and respond to specified toll limits. Ameritech has begun to offer Ameritech Call Control (ACC), an optional feature that provides a residence subscriber with the capability to screen outgoing calls placed from her/his access line, then block or permit calls based on parameters the customer selects.[5] NYNEX has introduced a toll cap program in New York for new customers first coming onto the network whose payment history is unknown or unavailable. However, none of these programs should be mandated for all carriers. Exchange carriers should be permitted to develop such offerings as sound business practices dictate. For small and mid-sized carriers, these types of programs may not be cost effective as these carriers may not have the resources or the capability to perform the functions required to provide these services.

For example, a federal mandate would not take into account the burden that could be placed on small and mid-size exchange carriers. The majority of small exchange carriers cannot afford their own billing systems. Most use a service bureau to perform billing functions. However, the work involved in assembling a bill is multi-faceted with differing time frames. A small exchange carrier may be polled daily by its service bureau, but depend on a larger exchange carrier with whom it shares a billing arrangement to send certain other types of data to the service bureau on its behalf. The tapes sent by the larger carrier on behalf of the small carrier may be sent daily, every few days, or even weekly. Other data associated with Miscellaneous Other Charges and Credits usage is often sent to the service bureau once a month. With this type of intermittent activity it would be a very costly and administratively burdensome venture for a small exchange carrier to accurately maintain daily balance information on its customers to determine when a customer might be approaching her/his credit limit.

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[5] ACC is a relatively new tariffed offering. It was deployed in Wisconsin in November, 1994, and effective July 10, 1995, in Ameritech's other four states. Currently it is available in selected offices only, due to technical constraints.

In addition, customer provided equipment (CPE) alternatives already exist in the marketplace for customers who wish to control toll usage. International Products Management offers a programmable dialing controller called TOLLCONTROL which can be set up on the customer's telephone to block such calls as 0, 0+, 1+, or even specified numbers from 1 to 16 digits.

Clearly, exchange carrier-implemented programs coupled with stand alone technical solutions indicate that the necessity for a federal mandate, either with respect to a toll blocking program or a toll restriction program measured by minutes of use or a dollar amount, does not exist.

C. Assistance with Connection Charges and Deposits.

The Commission states in its NPRM that studies on the impact of Link Up assistance on subscribership disagree. Yet, the Commission seeks comment on ways to increase the program's effectiveness. Any modifications to this program should be considered within the context of a comprehensive review of universal service and only if evidence exists which shows that the reasons people give for non-subscription would be removed if the Link Up program were made more robust.

The Commission's proposal to provide greater assistance to subscribers taking long distance blocking options is unjustified. There are customers who are eligible for Link Up assistance and are capable of keeping toll usage to an affordable level. The customer who cannot control usage without government intervention, the cost of which is borne by other customers, should not necessarily be rewarded with additional assistance. However, the nonrecurring costs of toll blocking could be recovered through the Link Up program.

The Commission also states that the measures considered within the NPRM would provide exchange carriers with alternative forms of security that would diminish the need for deposits, even for customers who were previously disconnected. The toll restriction programs which many companies already offer serve that function In addition, some exchange carriers will connect local service, with toll blocking in place, for a customer who cannot afford a security deposit. Ameritech is in the midst of a Credit Culture trial which allows residence one-party customers, who otherwise cannot pay an outstanding final bill and/or deposit as a condition of new service, the option of toll restriction. Again, any of these programs may not be required and may not be cost effective for all exchange carriers. Therefore, none of these programs should be mandated for all exchange carriers.

The Commission must bear in mind that deposits are typically required when a company cannot establish creditworthiness, the credit history is problematic or when the customer had telephone service disconnected and left the network with an unpaid balance. While toll restrict programs may serve to keep the unpaid balance from increasing, they will do nothing to encourage or incent the customer to pay the outstanding balance. Deposit requirements are not enforced haphazardly. Deposit requirements are necessary to protect companies from offering unlimited credit to those that have demonstrated they cannot handle, or will not handle, the legitimate charges they previously incurred. Exchange carriers generally work with customers so that outstanding balances can be paid in installments. However, customers must demonstrate a good faith effort to reduce the balance by making a partial payment. The Commission need not interfere with sound business practices that allow an exchange carrier to protect its general body of ratepayers from the debt that others have incurred or interfere with individual exchange carrier efforts to ameliorate this problem.

D. Lifeline Assistance.

The Commission seeks comment on ways the Lifeline program might be modified to increase subscribership. Again, any modifications to this program should be considered within the context of a comprehensive review of universal service. The Commission, however, suggests using non-means tests such as age and disability to extend the program. Age and disability do not necessarily indicate that a customer cannot afford telephone service. Subscribership programs should be targeted and based on a rational means test. Age and disability do not meet such a test. For example, some companies offer discounts to people who complete long distance calls through a Telecommunications Relay Service (TRS). The reason is not based on a disability, but to establish a functional equivalency between the costs born by a person who is deaf or hearing-impaired and a person with no such impairment. Because communicating using the written word takes longer than speech, the calls are discounted. Expanding the eligibility criteria is best left to be decided and funded at the state level.

The Commission also seeks comment on extending the Lifeline program to schools and libraries. Extending Lifeline to schools and libraries may not be required, given the ongoing efforts of exchange carriers.

In many states, funding for Lifeline is implicit, in that it is buried in other rates. In such states, if the program is expanded, an additional burden would be placed on other rates that are already priced inefficiently. In markets that are becoming increasingly competitive, any expansion of the Lifeline program should be explicitly funded.

Exchange carriers of all sizes across the country have already made commitments to provide services to the schools, libraries, and community centers in the areas they serve. In over twenty states, exchange carriers have already, or soon will have, video links between scarce educational resources and eager learners. In North Carolina, exchange carriers and the state government are working together to promote the North Carolina Information Highway. In over sixteen states, and at 12, 000 individual locations, exchange carriers are providing access, customer equipment, or technical advice to connect educational centers, like schools, libraries, and community centers to the Internet. Great Plains Communications, a small, rural Nebraska exchange carrier, is constructing a computer lab for high school and community education, using stockholder resources. The project includes a local area network and a dedicated 56Kb access line to the Internet. Exchange carriers are also providing advice to the education community on how to implement and use the new technology in education. Recently, GTE of California announced that it would be providing a $2,000 credit to schools and libraries that could be used for education technology consultation.

Given that programs already instituted by exchange carriers, states and local communities working together are extending the benefits of the public network to schools and libraries, there is no need for such costs to be recovered through a Lifeline program.

E. Services Targeted for Low-Income Populations that are Highly Mobile.

The Commission seeks comment on how the marketplace can operate to make services such as debit cards, voice mail, PINs, etc. available to highly mobile low-income users. USTA's member companies are already engaged in such activities For example, both Pacific Bell and Cincinnati Bell have provided Voice Mail for highly mobile subscribers or persons with no permanent address.

Debit cards, issued by a variety of companies, can be secured from a number of different sources, including grocery stores, street vendors, and convenience marts. The Commission should allow the marketplace to continue to explore and develop new opportunities as has occurred with the debit card market. If intervention is necessary, it should be in a manner that provides incentives for all telecommunications providers to offer services or programs to highly mobile low-income users.

F. Extending Telephone Service to Unserved Areas.

The Commission seeks comment on whether wireless or cable facilities could be utilized to increase telephone subscribership and whether Basic Exchange Telecommunications Radio Service (BETRS) has provided assistance to companies in extending service areas. Exchange carriers currently utilize wireless capabilities such as BETRS to provide service in areas which are difficult to serve with traditional wire facilities. While BETRS is an alternative to wireline service, it is not an inexpensive alternative. The gross investment for a BETRS system consisting of a base unit which can serve 24 customers plus 24 remote units can exceed $175,000, for an average cost per customer of approximately $7,300. Such costs would be prohibitive without high cost funding assistance. However, BETRS has not been as effective as it could have been, due in part because the bandwidth assigned to BETRS was inadequate to provide the service expected and because exchange carriers were only provided co-primary status causing interference and unreliability. The Commission could help extend telephone service to unserved areas by permitting exchange carriers to obtain spectrum for wireless local loop applications. Should the Commission require carriers to extend their facilities to currently unserved areas, and to ensure that such services are at affordable levels that do not fully recover the costs of providing service in those areas, universal service support will be required.

III. SUBSCRIBERSHIP BARRIERS AND MEASUREMENTS.

The Commission states that it assumes that a 100 percent penetration level is not possible. This is a reasonable assumption. Just as full employment carries with it the understanding that there will be at least 4 percent unemployment, USTA believes that a similar question should apply to full telephone subscribership. Some could argue that it would not be unreasonable to conclude that states such as Connecticut, Iowa, Maryland, Michigan, Minnesota, and others with subscribership levels of over 95 percent are at full penetration. There is no basis for a federal telephone penetration mandate. The levels of acceptable penetration should be determined at a local level. The means to increase subscribership should be addressed by exchange carriers working with state and local entities.

The Commission is also seeking comment on (1) perceived "barriers" or limitations to increasing subscribership, (2) other barriers to increase subscribership, (3) how to better measure subscribership, (4) whether there are other factors to consider such as cellular or wireless paging services, and (5) alternative methods for measuring subscribership. Such an undertaking is, at the very minimum, premature without a comprehensive evaluation of universal service. Universal service should be defined before subscribership goals can be established. Penetration levels alone may not provide the most accurate measure as there are statistical aberrations built into the current reports. A better measure of subscribership levels may be to assess whether telephone service is available to those who want it. Any changes proposed, including identifying barriers and subscriber measurement standards, may be found unnecessary or detrimental in the light of a comprehensive review. Furthermore, measuring subscribership and the success of any program can only be effective if all telecommunications providers are held accountable to the same standards or benchmarks.

IV. CONSUMER AWARENESS ISSUES.

The Commission seeks comment on whether educational efforts about the availability of assistance, costs of obtaining service, and service options should be the responsibility of the exchange carriers either working alone or in conjunction with state or local governments.

Exchange carriers have been in the forefront in initiating progressive steps and programs to increase awareness among consumers of service options and availability of assistance. The BOCs and GTE employ Customer Service Representatives who can communicate in languages other than English, such as Spanish, Chinese, Russian, French and Korean. NYNEX offers bills in Spanish and, in the future, will offer bills in Chinese. Many other exchange carriers provide pamphlets describing Lifeline and Link-up service in a language other than English. In addition, exchange carriers at least once a year inform customers, via a bill insert, of the Lifeline option. Exchange carriers have also worked with consumer groups and coalitions to more effectively target their programs. In Texas, Southwestern Bell developed a comprehensive marketing program aimed at Hispanic households. This program, called the "Hispanic Primary Access Line," uses Spanish-speaking mass media, bilingual informational literature, and extensive outreach activities to educate the Hispanic community about the importance and Affordability of phone service. Pacific Bell, with the assistance of the state government and local communities, started providing services in languages other than English ten years ago. Each year, Pacific Bell handles over 6 million calls from customers who speak Spanish, Chinese, Korean, Tagalog, and Vietnamese. Written materials are also available in these languages. Such offerings, however, may not be required in all areas and should not be mandated. Exchange carriers should be permitted to address specific, local needs.

Just as the Commission concluded in CC Docket 91-281, educational programs and outreach efforts are best provided by those most familiar with the subject at hand. With respect to obtaining telephone service, service options, and types of assistance, exchange carriers have done well and will continue to do so working with state regulatory authorities, consumer advocates, and other consumer coalitions.

V. CONCLUSION.

Many of the measures proposed by the Commission in the Notice of Proposed Rulemaking have already been implemented by exchange carriers which cover the vast majority of the population. Local exchange carriers and state regulatory agencies are better qualified to assess local conditions and to develop and implement programs which take into consideration the unique characteristics of the state and its population Individual exchange carriers, states, and local communities should continue their efforts to develop and implement programs which meet the needs of consumers to connect with the public switched network. Federal intervention is not appropriate at this time.

Respectfully submitted,
UNITED STATES TELEPHONE ASSOCIATION
BY Linda Kent

Its Attorneys:

Mary McDermott
Linda Kent
Charles D Cosson

1401 H Street, NW
Suite 600
Washington, DC 20005
(202) 326-7248

Kathy Woods
Director - Regulatory and
Legal Affairs

September 27, 1995